STATEMENT INSURANCE ASSOCIATION OF CONNECTICUT

Insurance and Real Estate Committee
February 8, 2010

SB 310, An Act Clarifying The Notification Requirement By Insurers To The Commissioner Of Motor Vehicles Of The Cancellation Of A Private

Passenger Motor Vehicle Liability Insurance Policy

The Insurance Association of Connecticut, IAC, is opposed to SB 310 as it is unnecessary.

SB 310 seeks to clarify the requirements of the notification that insurers send to the Commissioner of Motor Vehicles (DMV) of the cancellation, in whole or part, of private passenger motor vehicle liability insurance. This law is already very clear as to what must be provided to DMV by an insurer when an auto liability policy is cancelled. Section 38a-343a dictates that:

Each insurance company which issues private passenger motor vehicle liability insurance policies in this state shall, each month, on a date specified by the commissioner, notify the Commissioner of Motor Vehicles of the cancellation by the insurance company of all such policies which occurred during the preceding month. The notice required shall include the name of the named insured in the policy, the policy number, the vehicle identification number of each automobile covered by the policy and the effective date of the policy's cancellation. The commissioner shall specify an acceptable method of notification.

Insurers are notifying DMV monthly of all cancellations of personal automobile liability coverage on their books. It is unclear what more can be done.

The IAC urges your rejection of SB 310.